

THE DIRECTOR OF  
CENTRAL INTELLIGENCE

National Intelligence Officers

27 August 1980

NOTE FOR DISTRIBUTION

FROM :

SUBJECT: Warning Assessment for East Asia

Attached is the assessment prepared on the basis of the Community views expressed at the 20 August warning meeting. This memorandum has not been coordinated with the participants but is being circulated among them.

You or your representative are cordially invited to attend the next warning meeting for East Asia in Room 7 E 62, CIA Headquarters, at 1400 on Wednesday, 17 September. Please provide the name of your representative to , by COB 16 September.

Distribution

State	- Wever Gim
Navy	- Dominik Nargele
DIA	- <input type="text"/>
Air Force	- Charles A. Meyer
Army	- Jack Churchill
Treasury	- Arthur Long
SWS	- <input type="text"/>
NSA	- <input type="text"/>

TOP SECRET

Copy //

25X1

## THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

26 August 1980

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

THROUGH : Deputy Director for National Foreign Assessment  
National Intelligence Officer for Warning

FROM : [REDACTED]  
National Intelligence Officer for East Asia

SUBJECT : Warning Assessment: East Asia

The following items were discussed by the Community Representatives at the 20 August Warning Meeting.

China

1. According to analysts, it was now confirmed that the five top Party leaders would resign their Government posts at the upcoming National Peoples Congress session. In addition, reports had been received that a number of senior economic planners would resign, indicating a major shakeup in economic policy is under way. Analysts had noted apparent efforts by Hua Guofeng to assert influence within the military (Hua as Party Chairman would retain his chairmanship of the Military Affairs Commission) but noted that Hua's influence would be limited due to the recent appointment of Deng Xiaoping supporters to senior military positions. Analysts discounted rumors to a "coup d'etat" effort in China involving personalities such as Fang Yi and Xu Shi you. [REDACTED]

25X1

2. In commenting on Chinese reactions to Ronald Reagan's statements regarding the Taiwan question, analysts believed that the hard Chinese line concerning official US relations with Taiwan was based on principle, and that they would not back down. [REDACTED]

25X1

3. On Sino-Soviet relations, attention was called to an authoritative speech by a Vice President of the Chinese Academy of Social Sciences to the effect that the Soviets were no longer to be considered revisionists. This was the stand on which a journal in Heilungjiang had been closed earlier this year. However, no one believed that improved Sino-Soviet

DERIVATIVE CL BY SIGNER  
REVIEW ON AUG 00  
Derived from Multiple

25X1 relations could be anticipated despite this higher-level view of the USSR -- China's differences with the Soviets had many other deep-seated causes. [ ]

25X1 4. No change had been noted in the respective forces along the Sino-Soviet border. [ ] the Assistant Chinese Military Attache in Washington, had told DoD officials the Chinese were aware that quantitative and qualitative Soviet force improvements were being made, but not yet of a level requiring a Chinese response. [ ]

25X1 5. [ ] had also mentioned that the Chinese had "hit" the Vietnamese hard sometime in early August. This evidently coincided with a period of increased anti-Chinese propaganda between 3 and 10 August. Analysts doubted, however, that a "second lesson" was in store, or that China intended to launch anything more than low-level attacks against the Vietnamese. They noted, though, that China evidently was attempting through arms aid to anti-Vietnamese Montagnard groups to create more trouble for Hanoi behind its lines. [ ] 25X1

#### Korea

25X1 6. No signs of opposition had been noted to General Chun Du Hwan's ascendancy and Chun now appeared firmly entrenched. It was speculated that the first sign of popular reaction against him, if any, would be at the time of the referendum on the new constitution in October. In view of the shortage of lead time Chun had possibly decided to rely on the DRP as his vehicle to attain the Presidency in 1981, which could involve soliciting Kim Chong Pil's cooperation. [ ]

25X1 7. It was suggested that the ROK Generals were watching the US closely to see our reaction to Chon's moves, but would do what they thought was necessary regardless. Joint military planning such as the SCM was in limbo but could be picked up on a reduced scale as circumstances appeared to warrant. [ ]

25X1 8. The ROK's economic situation was described as being in a downturn and likely to stay that way. Problems could be anticipated if the authorities attempted to cut back recently-won workers' salaries to make Korean exports more competitive. [ ]

25X1 9. On North Korea, analysts spoke of main features emerging from Congressman Solarz's conversation with Kim Il Sung: Kim's stress on reunification, similar stress on US troop withdrawal, and willingness to lie in claiming a Northern troop strength of 375,000 men. Despite the blatancy of Kim's claims on troop strength, the newsmen accompanying Solarz had picked this figure up and had given it wide play. [ ] 25X1

25X1 10. North Korean order of battle along the DMZ remained unchanged. Attention was called to the fact that an exact copy of a section of the ROK's "Great Wall" anti-tank barrier along the DMZ had been duplicated at the North Korean ranger training center nearby. [ ] 25X1

25X1

Indonesia

12. Analysts regarded the current differences between the US and Indonesia as very serious. It was pointed out that several years ago a US-Indonesian Binational Conference had been set up to meet twice yearly on ways to avoid just such differences, but had for some time failed to convene. We had also poured cold water on a feeler [ ] to visit the US to discuss an improvement in relations. The Indonesians were now behaving in a very nationalistic way. Suharto was controlling the situation so far, but it could get much worse if opposition elements seized upon it to embarrass the government. [ ]

25X1

25X1

Philippines

13. Deterioration of security in the Philippines was not viewed as an issue which was imminent; analysts believed, however, that it should be flagged as something requiring attention. Aquino had made an emotional anti-Marcos speech at the National Press Club and would probably do the same before the Asia Society, but it seemed doubtful that he could really lead the anti-Marcos elements. But the spread between rich and poor was increasing, and the question which needed to be faced at some point was "after Marcos, what?" [ ]

25X1

Indochina

14. Since 23 June the Thai had reduced their forces along the Kampuchean border and pulled well back, apparently to reduce the chances of a further clash. The Vietnamese on the other hand had increased their forces and now had nine divisions along the border [ ]

25X1  
25X1

[ ] some analysts believed it likely that the VN forces would attack DK concentrations if good intelligence could be obtained regardless of political consequences. Other analysts felt that the impending UN vote on Kampuchean seating might inhibit the Vietnamese. [ ]

25X1

15. No major DK attacks had yet occurred, but DK guerrilla operations had forced the Vietnamese to string out their troops along roads and railroads. [ ] possible DK effort to make a show of attacking Phnom Penh, but DK capabilities as yet did not appear sufficient for such an objective. Although the DK forces appeared well armed, no new Chinese ship arrivals had occurred.

25X1

25X1

25X1

16. In Laos the LPDR appeared to be acutely concerned about a possible threat along the Thai-Lao border from rebel units based in Thailand. These units were better organized than was the case a year ago. The situation along the Lao-Chinese border appeared comparatively quiet. [REDACTED]

25X1

17. Addressing reports that Soviet shipments to VN had been reduced, analysts pointed out that the Soviet aid flow was cyclical in nature and could, in fact, be down somewhat at the present time. In addition, VN had already received considerable Soviet military assistance and might now be in process of absorbing the aid already on hand. [REDACTED]

25X1

25X1

25X1

25X1

Next 5 Page(s) In Document Exempt

13 August 1980

Following is the East Asia Warning Meeting Agenda. The meeting is scheduled for 1400 hours on 20 August in Room 7 E 62, CIA Headquarters.

South Korea

- Effect of General Chun's anticipated takeover as Chief in South Korea.
- Popular reactions, if any, expected from Kim Dae Jong trial.

North Korea

- Status of Kim Chong-Il and the succession question -- close to resolution?
- Results of the Solarz visit -- a mellowing in the North?

25X1

25X1

Indonesia

- Is the Indonesian loss of confidence in and dissatisfaction with the US reported out of Jakarta for real?

Philippines

- Aquino, Marcos, and the security situation.

China

- What policy and personnel developments can we expect from the upcoming NPC session?
- Update on the military balance along the Sino-Soviet and Sino-Vietnamese borders.

Indochina

- Situation in Kampuchean and along the Thai border. Thai-Laos relations Soviet logistical support to Vietnam.

Next 4 Page(s) In Document Exempt